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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE No. 2032 Order No. R-1729

APPLICATION OF UNION OIL COMPANY OF CALIFORNIA FOR AN ORDER AUTHORIZING A WATERFLOOD PROJECT IN THE CAPROCK-QUEEN POOL, LEA AND CHAVES COUNTIES, NEW MEXICO, AND FOR AN UNORTHODOX INJECTION WELL LOCATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 27, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 4th day of August, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Union Oil Company of California, seeks authorization to institute a waterflood project on its South Caprock Queen Unit, Caprock-Queen Pool, by the injection of water into the Queen formation through the following-described wells located in Chaves County, New Mexico:

Tract 9, Well No. 3-5, a proposed well to be located 990 feet from the North line and 1980 feet from the West line of Section 5;

Tract 11, Well No. 12-5, formerly the Monsanto-Erwin Well No. 4, located in the NW/4 SW/4 of Section 5;

Tract 13, Well No. 16-6, formerly the Hodges-Malco Federal Well No. 1, located in the SE/4 SE/4 of Section 6;

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Tract 61, Well No. 1-7, a proposed well to be located 990 feet from the North line and 450 feet from the East line of Section 7;

Tract 5, Well No. 12-8, formerly the Sinclair-Saner Well No. 2, located in the NW/4 SW/4 of Section 8;

Tract 5, Well No. 13-8, formerly the Sinclair-Saner Well No. 4, located in the SW/4 SW/4 of Section 8;

Tract 6, Well No. 1-18, a proposed well to be located 1315 feet from the North line and 330 feet from the East line of Section 18 at an unorthodox location;

Tract 64, Well No. 10-18, formerly the Collier-Sams Well No. 4, located in the NW/4 SE/4 of Section 18;

Tract 64, Well No. 15-18, formerly the Collier-Sams Well No. 3, located in the SW/4 SE/4 of Section 18;

Tract 33, Well No. 2-19, formerly the Mobil-State H Well No. 1, located in the NW/4 NE/4 of Section 19;

all in Township 15 South, Range 31 East.

- (3) That a large majority of the producing wells in the area to be waterflooded have reached an advanced state of depletion and are properly to be classified as "stripper" wells.
- (4) That the proposed waterflood project should be authorized and should be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area.

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Oil Company of California, be and the same is hereby authorized to institute a waterflood project in the Caprock-Queen Pool by the injection of water into the Queen formation through the following-described wells in Chaves County, New Mexico:

Tract 9, Well No. 3-5, a proposed well to be located 990 feet from the North line and 1980 feet from the West line of Section 5;

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Tract 11, Well No. 12-5, formerly the Monsanto-Erwin Well No. 4, located in the NW/4 SW/4 of Section 5;

Tract 13, Well No. 16-6, formerly the Hodges-Malco Federal Well No. 1, located in the SE/4 SE/4 of Section 6;

Tract 61, Well No. 1-7, a proposed well to be located 990 feet from the North line and 450 feet from the East line of Section 7;

Tract 5, Well No. 12-8, formerly the Sinclair-Saner Well No. 2, located in the NW/4 SW/4 of Section 8;

Tract 5, Well No. 13-8, formerly the Sinclair-Saner Well No. 4, located in the SW/4 SW/4 of Section 8;

Tract 6, Well No. 1-18, a proposed well to be located 1315 feet from the North line and 330 feet from the East line of Section 18 at an unorthodox location, which location is hereby authorized;

Tract 64, Well No. 10-18, formerly the Collier-Sams Well No. 4, located in the NW/4 SE/4 of Section 18;

Tract 64, Well No. 15-18, formerly the Collier-Sams Well No. 3, located in the SW/4 SE/4 of Section 18;

Tract 33, Well No. 2-19, formerly the Mobil-State H Well No. 1, located in the NW/4 NE/4 of Section 19;

all in Township 15 South, Range 31 East.

(2) That the operation of the waterflood project herein authorized shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area.

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(3) That monthly progress reports on the waterflood project herein authorized shall be submitted to the Commission in accordance with Rule 704 and Rule 1119 of the Commission Rules and Regulations.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

SEAL